



## Results of Rlte Care Premium Follow-up Survey

### Background

Beginning in January 2002, the Rlte Care (RC) program started requiring 10% of its 120,000 enrollees (12,012 individuals in 4,805 families) to contribute to the cost of their health insurance. The 4,805 families with income of at least 150 percent of the Federal Poverty Level (FPL) were each asked to pay a monthly premium of between \$43 and \$58.<sup>1</sup> The vast majority of these families (82 percent) made timely payments; only 861 households (or 18 percent of those subject to premiums) lost RC coverage due to non-payment of premiums. A random sample of families that lost coverage due to non-payment were contacted by telephone. Of 633 calls made, 225 households were contacted and 99% agreed to be interviewed. These households represented 552 members.<sup>2</sup>

### Reasons Families Lost Coverage

The majority of families that lost coverage due to non-payment of premiums left the program in April, the first month that non-payment led to loss of coverage. Over 70 percent of the members who were disenrolled due to non-payment left in April 2002, with 14 percent dropping in May and 15 percent in June. The most common reason respondents gave for losing coverage was an inability to afford the monthly premium; 48 percent of surveyed households said this figured in their decision to drop coverage. Sixteen percent of respondents indicated that they did not pay the premium due to a job loss, which may be one of the reasons respondents could not afford the premium.

### Insurance Status of Families That Did Not Pay Premium

**Figure 1: Percent of RC Households who Paid Premium with Insurance Status of Members Who Did Not Pay**

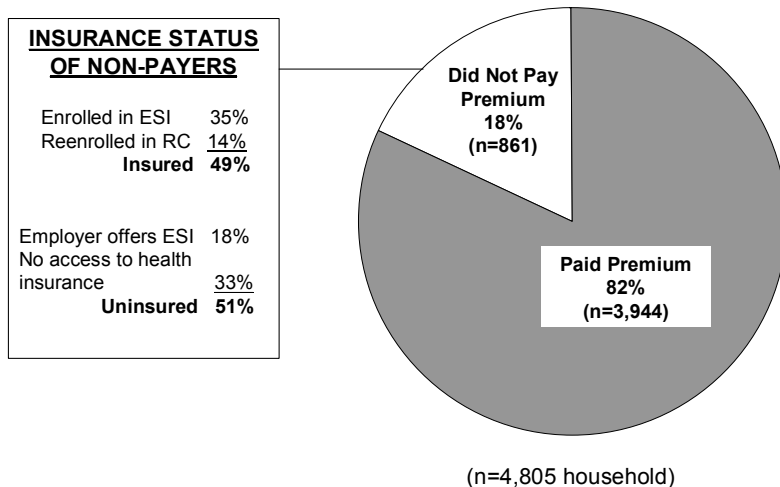


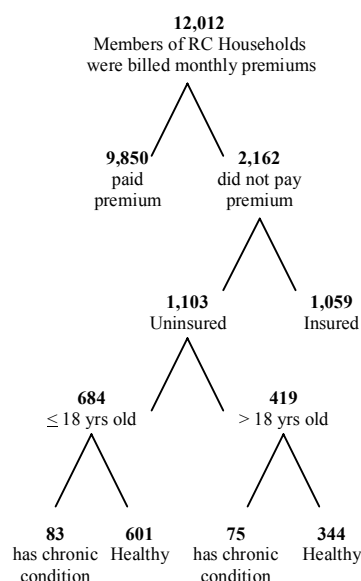
Figure 1 shows the current insurance status of the 861 households that did not pay the premium and as a result lost RC coverage. At the time of the interviews, forty-nine percent of the respondents who did not pay premium said they were insured: 35 percent had enrolled in employer sponsored insurance (ESI) and 14 percent had re-enrolled in RC because their income went below the 150% FPL (the premium share level). Fifty-one percent of the families that did not pay their premium were uninsured: 18 percent reported that their employer offered ESI, but they did not participate and 33 percent reported that they had no access to insurance.



## Characteristics of Members Who Did Not Pay Premium

The 861 households that did not pay the premium represent 2,162 members. Figure 2 shows the insurance status, the age distribution, and the health status of members who did not pay. Of the 2,162 RC members who did not pay their premium (18 percent of total premiums sent) 1,103 were left uninsured. Members who became uninsured as a result of the state's premium collection initiative represent 9.2% of the total members billed monthly premiums (1,103/12,012). Of the 1,103 uninsured RC members 62 percent are children less than 18 years old and 14.3 percent have a chronic medical condition.

**Figure 2: Members of Households That Did Not Pay Premium: Insurance Status, Age, and Health Status**

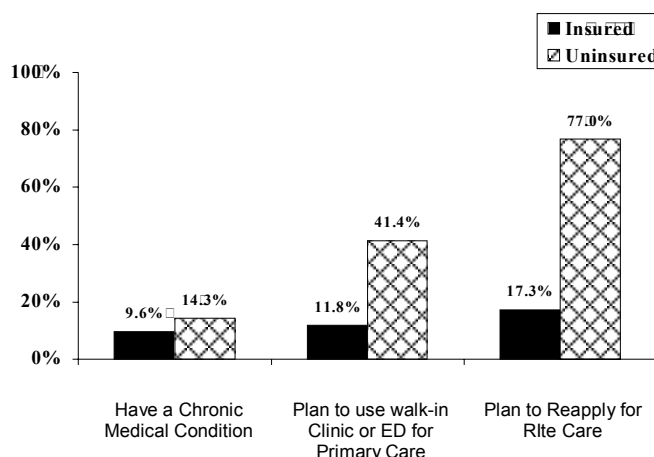


## Differences in Health Status and Access to Care

Figure 3 shows the differences in health status and access to care by the insurance status of RC members who did not pay premium. Respondents who self reported that they had a chronic medical condition were more likely to be uninsured (14.3 percent) than insured (9.6 percent). Individuals who did not pay the Rite Care premium and are without health insurance are more likely to use emergency department and walk-in clinics for primary care, 41.4 percent compared to 11.8 percent for insured members who did not pay premium. Seventy-seven percent of persons without insurance indicated that they will reapply for Rite Care at the end of the four month sanction period. Those RC applicants with access to qualified ESI will be enrolled in the Rite Share premium assistance program. The goal of the Rite Share

premium assistance program is to support families in their efforts to obtain or maintain private, employer-sponsored health insurance.

**Figure 3: Rite Care Members Who Did Not Pay Premium (n=2,162)**



## Key Findings

- The overwhelming majority of RC families paid their premium for health care coverage. Eighty-two percent (82%) paid their premium.
- Of the 1,103 RC members who did not pay the premium and were left uninsured 18 percent reported that their employer offered ESI, but they did not participate. The major reason families didn't participate in the ESI was inability to pay the premium.
- Members who did not pay a premium and were left uninsured are more likely to have a chronic medical condition (14.3 percent) and more likely to use emergency department and walk-in clinics for primary care (41.4 percent).

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<sup>1</sup> The Federal Poverty Level (FPL) is just over \$27,000 per year for a family of four. As of August 2002, the premium amounts that RC & Rite Share families pay are between \$61 and \$92 per month.

<sup>2</sup> 36.3% of the telephone numbers in the survey population were disconnected or not in service. This suggests that a significant number of Rite Care families have had a recent change in status, although it is unknown whether these families have dropped or lost coverage as a result of a move, job change or some other change in circumstance

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